



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Tom McCullough
People's Project, LLC
2425 Vivid Sky Place
Henderson, NV 89044

AUG 02 2018

RE: MUR 7333

Dear Mr. McCullough:

The Federal Election Commission reviewed the allegations in your complaint received on February 28, 2018. On July 31, 2018, based upon the information provided in the complaint, and information provided by the respondents, the Commission decided to exercise its prosecutorial discretion to dismiss the allegations as to Amy for the People and Josiah McKinney in his official capacity as treasurer and close its file in this matter. Accordingly, the Commission closed its file in this matter on July 31, 2018. A copy of the Factual and Legal Analysis, which more fully explains the basis for the Commission's decision, is enclosed.

Documents related to the case will be placed on the public record within 30 days. *See* Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66132 (Dec. 14, 2009).

The Federal Election Campaign Act of 1971, as amended, allows a complainant to seek judicial review of the Commission's dismissal of this action. *See* 52 U.S.C. § 30109(a)(8).

Sincerely,

Lisa J. Stevenson
Acting General Counsel

A handwritten signature in black ink, appearing to read "Jeff S. Jordan", written over the typed name of the Assistant General Counsel.

BY: Jeff S. Jordan
Assistant General Counsel

Enclosure
Factual and Legal Analysis

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

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RESPONDENTS: Amy for the People and Josiah McKinney MUR 7333
in his official capacity as treasurer

This matter was generated by a complaint alleging violations of the Federal Election Campaign Act of 1971, as amended (“the Act”) and Commission regulations by Amy for the People and Josiah McKinney in his official capacity as treasurer. It was scored as a low-rated matter under the Enforcement Priority System, by which the Commission uses formal scoring criteria as a basis to allocate its resources and decide which matters to pursue.

The Complaint alleges that the Committee violated the Act by failing to report in its 2017 Year-End Report two payments and a debt to People’s Project, LLC: a \$2,000 payment on October 26, 2017, a \$3,263.88 payment on December 19, 2017, and \$19,538 accounts payable that was incurred on December 11, 2017.¹

The Committee asserts that it did not disclose the \$2,000 payment on its original 2017 Year-End Report because it did not have bank records reflecting the payment, and it amended its report once it received its bank records.² Similarly, the Committee maintains that it reported the \$3,263.88 payment on its April 2018 Quarterly Report because its bank records were not available when it filed its 2017 Year-End Report.³ Finally, the Committee claims it reported the debt to the Complainant in the amount it believed the Committee actually owed.⁴

¹ Compl. at 1, Ex. 3 (Feb. 28, 2018).
² Resp. at 1 (Jun. 5, 2018).
³ *Id.* at 2.
⁴ *Id.* at 2. The Committee also notes that the debt is at issue in an ongoing litigation. *Id.*

1 The Act and Commission regulations require the political committee of a candidate for
2 federal office to disclose the total amount of all disbursements made during the reporting period,
3 and to report the full name and address of each person to whom an expenditure in an aggregate
4 amount or value in excess of \$200 within the election cycle is made along with the date, amount,
5 and purpose of each expenditure.⁵ In addition, Commission regulations require the political
6 committee of a candidate for federal office to report debts in excess of \$500 as of the date on
7 which the debt is incurred.⁶ When there is a disputed debt, the political committee must report
8 the disputed debt if the creditor has provided something of value to the political committee.⁷
9 Until the dispute is resolved, the political committee must disclose any amounts paid to the
10 creditor, any amount the political committee admits it owes, and the amount the creditor claims
11 is owed.⁸

12 The Committee did not disclose any payments or debt to People's Project, LLC in its
13 original 2017 Year-End Report, and the amounts reflected on the Committee's Second and Third
14 Amended 2017 Year-End Reports and its April 2018 quarterly report are inconsistent with the
15 amounts alleged in the complaint.⁹ Based on the available information, it appears that the

⁵ 52 U.S.C. § 30104(b)(4); 11 C.F.R. § 104.3(b).

⁶ 11 C.F.R. § 104.11(b); *see also* 52 U.S.C. § 30104(b)(8).

⁷ 11 C.F.R. § 116.10(a).

⁸ *Id.*

⁹ The Committee's April 2018 Quarterly report reflects a \$3,751.22 payment on January 3, 2018 and a \$3,626.59 debt to People's Project, LLC. Amy for the People, April 2018 Quarterly Report (filed Apr. 16, 2018), <http://docquery.fec.gov/pdf/703/201804169108269703/201804169108269703.pdf>; *see also* Amy for the People, Amended April 2018 Quarterly Report (filed Apr. 17, 2018), <http://docquery.fec.gov/pdf/692/201804179108271692/201804179108271692.pdf>. The Committee amended its 2017 Year-End Report to reflect a \$2,000 payment on October 31, 2017, a \$1,000 payment on November 13, 2017, and a \$3,626.59 debt to People's Project, LLC. Amy for the People, Second Amended 2017 Year-End Report (filed Apr. 16, 2018), <http://docquery.fec.gov/pdf/768/201804169108262768/201804169108262768.pdf>; *see also* Amy for the People, Third Amended 2017 Year-End Report (filed Apr. 17, 2018), <http://docquery.fec.gov/pdf/557/201804179108271557/201804179108271557.pdf>.

1 Committee failed to accurately report its payments and debt to People's Project, LLC.

2 In furtherance of the Commission's priorities relative to other matters pending on the
3 Enforcement docket, the relatively modest amounts at issue, along with the Committee's
4 amended reports reflecting some of the payments to the vendor and alleged debt still outstanding,
5 the Commission exercises its prosecutorial discretion and dismisses the allegations as to Amy for
6 the People and Josiah McKinney in his official capacity as treasurer. *Heckler v. Chaney*, 470
7 U.S. 821, 831-32 (1985).